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Hon. James H. Welsh Commissioner of Conservation Office of Conservation Post Office Box 94275 Baton Rouge, Louisiana 70804-4275

Re:

James Formation, Reservoir A, Logansport Field James Formation, Reservoir B, Spider Field DeSoto Parish, Louisiana

Dear Commissioner Welsh:

Application is hereby made on behalf of **EOG RESOURCES**, **INC.** for the calling of public hearings, after legal notice, to consider evidence relative to the issuance of orders pertaining to the following matters relating to the James Formation, Reservoir A, in Logansport Field, and the James Formation, Reservoir B, in Spider Field, DeSoto Parish, Louisiana:

- 1. To establish rules and regulations and to create a pattern of drilling and production units for the exploration for and production of gas and condensate from the James Formation, Reservoir A, in Logansport Field, to be designated JAMES RA SUA through JAMES RA SUD and from the James Formation, Reservoir B, in Spider Field, said units to be designated JAMES RB SUA through JAMES RB SUL, DeSoto Parish, Louisiana, all as shown on the plats attached hereto and made a part hereof.
- 2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within each of the proposed units with each tract sharing in unit production on a surface acreage basis of participation.

- 3. To authorize special field spacing rules for future horizontal wells drilled to the James Formation, Reservoir A, in Logansport Field, and to the James Formation, Reservoir B, in Spider Field, which would provide: (a) that the penetration point and terminus of any lateral of any such horizontal well should be located no closer than 330 feet to any unit boundary; (b) that the distance from any point along the productive portion of any lateral and those unit boundaries which run generally parallel to the direction in which the laterals are drilled should not be less than 660 feet; and, (3) that there be no well spacing limitations between wells other than that accomplished by application of the aforestated provisions.
- 4. To provide that the gas allowable provisions of Statewide Order No. 29-F, LAC 43:XIX.2101 et seq., should not apply to horizontal wells drilled to the James Formation, Reservoir A, in Logansport Field, and to the James Formation, Reservoir B, in Spider Field, but that all such wells should be given an allowable based on the maximum efficient rate (MER) of the well, being the maximum sustainable daily withdrawal rate from the reservoir which will permit economical development and reservoir depletion without causing waste.
- 5. To provide that the Commissioner of Conservation should be authorized to reclassify each of the reservoirs by supplemental order without the necessity of a public hearing if the producing characteristics of such reservoir change and evidence to justify such reclassification is submitted to and accepted by the Commissioner of Conservation.
 - 6. To consider such others matters as may be pertinent.

The James Formation, Reservoir A, in Logansport Field, is hereby defined as being that gas and condensate bearing formation encountered between the depths of 5,442 feet and 5,660 feet (electrical log measurements) in the BP America Production Company – Christian No. 2 Well, located in Section 35, Township 12 North, Range 15 West, DeSoto Parish, Louisiana.

The James Formation, Reservoir B, in Spider Field, is hereby defined as being that gas and condensate bearing formation encountered between the depths of 5,375 feet and 5,600 feet (electrical log measurements) in the BP America Production Company – Wofford Ball No. 1 Well, located in Section 31, Township 12 North, Range 14 West, DeSoto Parish, Louisiana.

Pertinent data, including well logs, may be obtained **AT THE COST OF THE REQUESTING PARTY** from Louis Gilbert & Associates, 3636 North Causeway Blvd., Ste. 204, Metairie, Louisiana, 70002, Telephone Number (504) 836-6393.

Pursuant to the Rules of Procedure, pre-application notice was given. No request for the conference was received; therefore, the conference tentatively scheduled for February 3, 2005, WILL NOT BE HELD.

Attached hereto and made a part hereof are plats outlining the applicant's proposals, along with the list of the names and addresses of the Interested Owners, Represented Parties, and Interested Parties to whom a copy of this application is being mailed. Pursuant to the Revised Rules of Procedure, such plat (being the same plat attached to the pre-application notice dated January 14, 2005) and list of parties are being furnished only to the Commissioner of Conservation and to the District Manager of the Shreveport District of the Office of Conservation; however, the plat and/or list of parties will be furnished to any party requesting copies. A reasonable effort was made to ascertain the names and addresses of all Interested Owners, Represented Parties and Interested Parties.

Finally, enclosed is our check on behalf of the applicant, in the amount of \$1,510.00 made payable to the Office of Conservation and representing the required hearing application fee.

Very truly yours,

RWRjr/dbf Attachments

Richard W. Revels, Jr.

cc: Mr. James Broussard, Shreveport District Office of Conservation

cc: Interested Owners, Represented Parties and Interested Parties

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